

APA-2  
11/96

**ALABAMA DEPARTMENT OF REVENUE**  
**Sales, Use & Business Tax Division**

**NOTICE OF INTENDED ACTION**

**RULE NO. & TITLE:**

810-6-5-.26                      Utility Privilege or License Tax

**INTENDED ACTION:**

Amend the above rule

**SUBSTANCE OF PROPOSED ACTION:**

Under the provisions of Section 40-21-85, Code of Alabama 1975, Utility Privilege License Tax, a taxpayer whose average monthly utility privilege tax liability was at least \$10,000 for the preceding calendar year is required to remit estimated payments for the current month's liability in an amount at least equal to the actual tax liability for the same calendar month of the preceding year. Section 40-21-101 specifies that the Utility Service Use Tax is supplemental to and complementary with the utility gross receipts tax. The amount of the estimated payment required for utility privilege license tax and utility excise tax has previously been interpreted to be the amount of the actual payment made to the department on the prior year's return. The proposed amendment would require that the estimated payment equal the tax liability for the same calendar month of the preceding year, determined by the application of rates against gross sales net of any collection allowance, but without any consideration of the prior or current estimated payments reported on that return. This is accomplished by amending paragraph (8)(g)1.(iii) to instruct the taxpayer to report the amount from line 7 on the utility privilege license tax return filed for the same month of the preceding year and paragraph (8)(g)2.(iii) to instruct the taxpayer to report line 5 on the utility excise tax return filed for the same month of the preceding year.

**RULE NO. & TITLE:**

810-6-5-.26.01                      Mobile Communication Services Tax

**INTENDED ACTION:**

Amend the above rule

**SUBSTANCE OF PROPOSED ACTION:**

Under the provisions of Section 40-21-123, Code of Alabama 1975, which specifically incorporates the administrative procedures set forth in Section 40-21-85, a taxpayer whose average monthly mobile communication services tax liability was at least \$10,000 for the preceding calendar year is required to remit estimated payments for the current month's liability in an amount at least equal to the actual tax liability for the same calendar month of the preceding year. The amount of the estimated payment required for mobile communication services tax has previously been interpreted to be the amount of the actual payment made to the department on the prior year's return. The proposed amendment would require that the estimated payment equal the tax liability for the same calendar month of the preceding year, determined by the application of rates against taxable receipts, net any applicable collection allowance, without any consideration of the prior or current estimated payments reported on that return. This is accomplished by amending paragraph (18)(a)(3) to instruct the taxpayer to report the amount from line 4 on the mobile communication services tax return filed for the same month of the preceding year.

**RULE NO. & TITLE:**

810-6-5-.26.02                      Utility Tax Direct Pay Permit

**INTENDED ACTION:** Amend the above rule

**SUBSTANCE OF PROPOSED ACTION:** Under the provisions of Section 40-21-85, Code of Alabama 1975, Utility Privilege License Tax, a taxpayer whose average monthly utility privilege tax liability was at least \$10,000 for the preceding calendar year is required to remit estimated payments for the current month's liability in an amount at least equal to the actual tax liability for the same calendar month of the preceding year. The amount of the estimated payment required for utility privilege license tax has previously been interpreted to be the amount of the actual payment made to the department on the prior year's return. The proposed amendment would require that the estimated payment equal the tax liability for the same calendar month of the preceding year, determined by the application of rates against taxable purchases, without any consideration of the prior or current estimated payments reported on that return. This is accomplished by amending paragraph (4)(c) to instruct the taxpayer to report the amount from line 5 on the utility privilege license tax return filed by the direct pay permit holder for the same month of the preceding year.

**RULE NO. & TITLE:**

810-6-5-.27.01

Nursing Facility Tax

**INTENDED ACTION:** Amend the above rule

**SUBSTANCE OF PROPOSED ACTION:** The department proposes to amend the above rule to comply with Act 2011-614 which changed the monthly return (statement) and payment due date from the tenth day of the month next succeeding the month in which the tax accrues to the twentieth day of the month, effective for the filing period of September 1, 2011.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** A public hearing will be held at **10:00 a.m.** on **Thursday, September 8, 2011, in the Office of the Legal Division, Room 3114**, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at [www.revenue.alabama.gov/rulehear.html](http://www.revenue.alabama.gov/rulehear.html).

All interested parties may present their views in writing to the **Deputy Commissioner of the Alabama Department of Revenue, Room 4112, Gordon Persons Building, 50 N Ripley Street, Montgomery, Alabama 36132** at any time during the thirty-five (35) day period following publication of the notice or by appearing at the hearing.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:**

Thursday, September 8, 2011

**CONTACT PERSON AT AGENCY:**

Patricia Toles  
Alabama Department of Revenue  
4131 Gordon Persons Building  
Montgomery, Alabama 36132  
(334) 242-1380



Michael E. Mason, Deputy Commissioner  
Alabama Department of Revenue